GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department – New Andhra Pradesh Sustainable Electric Mobility Policy (4.0) 2024-29 – Orders – Issued.

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INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O.Ms.No.88 **Dated:11.12.2024**

Read the following:

1. G.O.Ms.No.74, Industries and Commerce (P&I) Department, Dt:08.06.2018.
2. G.O.Ms.No.99, Industries and Commerce (P&I) Department, Dt:24.08.2018.
3. G.O.Ms.No.79, Industries and Commerce (P&I) Department, Dt:22.09.2023.
4. G.O.Ms.No.02, Industries and Commerce (P&I) Department, Dt:08.01.2024.
5. G.O.Ms.No.53, Industries and Commerce (P&I) Department, Dt:18.09.2024.
6. From Director of Industries, Mangalagiri, e-file No:INC02-21041/2/2024-AD-DIC (Computer No:2640799).

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ORDER:

In the G.O.1st read above, Government have introduced AP Electric Mobility Policy 2018-2023. In order to encourage quality infrastructure through private investments, Government vide reference 2nd read above amended the said G.O. to extend the appropriate ratio of benefits to private sector and the rest may be opened to Government including Government Undertakings, Corporations, Organizations, Urban and Rural bodies and also extended Financial Incentives for Private/Government including Undertakings, Corporations, Organizations, Urban and Rural bodies for Purchase/Lease and Use towards Demand Creation and the policy concluded by 07.06.2023. Subsequently vide 3rd to 5th read above orders were issued for extending A.P. Electric Mobility Policy 2018-2023 for further six months or till the new policy is promulgated whichever is earlier.

2. The Director of Industries stated that Andhra Pradesh has 1.78 Crore vehicles across various vehicle categories registered as on Nov 2024, as per Vahan Dashboard. Of the total vehicles registered 1.3 Lakh vehicles are Battery Electric Vehicles (BEV), 817 vehicles are Strong Hybrid EVs and the rest are Internal Combustion Engines (ICE) including CNG, petrol/diesel hybrid vehicles. There are 601 public charging stations operating in the state, indicating an average of 1 charging station every 205 Km of road

length. The slow adoption of EVs in the state demands for strong government intervention for creating an integrated ecosystem. In addition, the state has 3 Registered Vehicle Scrapping Facilities receiving little over 1,600 scrap applications including private, Government and Defence vehicles.

3. Further, the Director of Industries has stated that considering latest advancements in E-mobility solutions, business models and technologies, Government of Andhra Pradesh is committed to take strides towards India's goals and objectives. The state through the policy is trying to interconnect stakeholders including - Public Transportation Providers, Ride-Hailing and Delivery Aggregators, Private Fleet Operators, Individual Consumers, Charging Infrastructure Developers, Automobile Manufacturers, Battery Manufacturers and Suppliers, and Real Estate Developers – to build a comprehensive ecosystem and create demand for EV manufacturing and sales.

4. The State Government is oriented towards building sustainable clean cities and create healthy ecosystems to de-congest transport lifeline in the state. There is a need to develop a new Sustainable Electric Mobility Policy for the State to establish Andhra Pradesh as a premier global hub for high-value EV manufacturing in India, through strategic demand and supply initiatives, with the goal of achieving carbon neutrality from transport sector by 2047. Accordingly, a draft Andhra Pradesh sustainable Electric Mobility Policy, 4.0 (2024-29) was submitted.

5. The remarks of the Finance Department have been received vide e-file bearing File No:INC02-21041/2/2024-AD-DIC (Computer No:2640799), the Finance Department have informed that the proposal for concurrence to the draft policy of Andhra Pradesh Sustainable Electric Mobility Policy (4.0) 2024-29 is agreed and the department is also advised to follow the Business Rules and place the proposal before the Council of Ministers for their approval.

6. Hence, the Government, after careful examination of the proposal, hereby introduce the Andhra Pradesh Sustainable Electric Mobility Policy (4.0) 2024-29. The Policy Document, under **Annexure**, is appended to this order.

7. This Andhra Pradesh Sustainable Electric Mobility Policy 4.0 shall remain valid for a period of five years from the date of issue of this policy

or till a new Policy is announced. The policy may be amended and modified from time to time, during the implementation period, to keep the policy in-tune with evolving developments in the e-mobility sector. However, all such amendments and modifications shall be applied prospectively and shall not curtail any benefit or concession already granted under the policy.

8. This order issues with the concurrence of the Finance (FMU-I&I, Energy, I&C) Department vide their U.O.No.FIN01-FMU0ASD(IC)/9/2024 (Computer No.2640878), Dated: 01.12.2024.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N YUVARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Director of Industries, Andhra Pradesh, Mangalagiri.
The Principle Secretary, T,R&B Department, GoAP
The Special CS, Energy, GoAP
The Vice Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation, Mangalagiri, Guntur.
The Commissioner of Handlooms and Textiles, Mangalagiri.
The Director of Mines and Geology, Ibrahimpatnam, Vijayawada.
The Managing Director, Andhra Pradesh State Financial Corporation, Tadepalli, Guntur.
The Principal Finance Secretary, AP Secretariat, Velagapudi.
The Secretary to Government, Finance Department
The Secretary to Government, Social Welfare Department.
The Secretary to Government, Tribal Welfare Department
The Special Chief Secretary to Government, Revenue (CT/LA) Department.
The Special Chief Secretary to Government, Irrigation & CAD (Reforms) Department.
The Special Chief Secretary to Government, Energy Department.
The Special Chief Secretary to Government, EFS&T Department.
The Secretary to Government, I&I Department.

Copy to

The LFB&IMS Department.
The Accountant General, Andhra Pradesh, Vijayawada.
The Convener, State Level Banker's Committee.
The General Manager, Small Industry Development Bank of India, (SIDBI),
The Pay and Accounts Officer, Vijayawada.

All the Secretariat Departments, Velagapudi.
All District Collectors through Director of Industries, Mangalagiri.
All Heads of Departments through Director of Industries, Mangalagiri.
All Departments of Secretariat, Velagapudi.
All Govt. Companies/Corporations through Director of Industries, Mangalagiri. The P.S. to Addl. Secretary to Chief Minister, Andhra Pradesh.
The P.S. to Chief Secretary to Government, Andhra Pradesh.
All Private Secretaries to the Ministers.
All General Managers, District Industries Centre in the State through the Director of Industries, Mangalagiri.
All Sections in the Department.
SF/SC.

// FORWARDED :: BY ORDER//

SECTION OFFICER

ANNEXURE

(Annexure to G.O.Ms.No.88, Industries and Commerce (P&I) Department, Dt:11.12.2024.)

ANDHRA PRADESH SUSTAINABLE ELECTRIC MOBILITY POLICY (4.0) 2024-29

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1. Introduction

India's shift towards electric mobility is a strategic response to the pressing need to reduce the substantial environmental impact of the road sector, intensified by rapid urbanization and growing commuter traffic. This ambitious transition is transforming the nation's transportation landscape, propelled by a comprehensive strategy that includes government policies, technological advancements, environmental considerations, and market forces.

- India is actively progressing its electric vehicle (EV) transition through a range of comprehensive measures. The National Electric Mobility Mission Plan (NEMMP) and FAME scheme offer substantial incentives to encourage the adoption of electric and hybrid vehicles, thereby improving fuel security and promoting environmental sustainability. The State EV Accelerator Program has motivated 33 states and union territories to adopt EV policies, while the National E-Bus Program, spearheaded by NITI Aayog and CESL, aims to consolidate demand for 50,000 e-buses. Furthermore, initiatives like the Shoonya campaign promote zero-pollution delivery and ride-hailing, and the e-FAST platform supports cleaner practices in the freight sector. The PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) scheme provides purchase subsidies to further boost EV adoption, aligning with India's target of making 30% of all new vehicle sales electric by 2030.
- India's electric vehicle (EV) adoption is accelerating, with EVs making up 6.5% of total vehicle sales in 2023. The EV segment experienced the highest growth rate of 116% in 2023, particularly in the E3W cargo and passenger segments. The leading states for EV adoption are Uttar Pradesh, Maharashtra, Karnataka, Tamil Nadu, and Rajasthan. Projections indicate that EV penetration could exceed 40% by 2030. The Indian EV market is expected to grow significantly, from US$ 3.21 billion in 2022 to US$ 113.99 billion by 2029.
- Andhra Pradesh has 1.78 Crore vehicles across various vehicle categories registered as on Nov 2024, as per Vahan Dashboard. Of the total vehicles registered 1.3 Lakh vehicles are Battery Electric Vehicles (BEV),817 vehicles are Strong Hybrid EVs and the rest are Internal Combustion Engines (ICE) including CNG, petrol/diesel hybrid vehicles. There are 601 public charging stations operating in the state, indicating an average of1 charging station every 205 Km of road length. The slow adoption of EVs in the sate demands for strong government intervention for creating an integrated ecosystem. In addition, the state has 3 Registered Vehicle Scrapping Facilities receiving little over 1,600 scrap applications including private, government and defence vehicles.

Considering latest advancements in E-mobility solutions, business models and technologies, Government of Andhra Pradesh is committed to take strides towards India’s goals and objectives. The state through the policy is trying to interconnect stakeholders including **- Public Transportation Providers, Ride-Hailing and Delivery Aggregators, Private Fleet Operators,**

Individual Consumers, Charging Infrastructure Developers, Automobile Manufacturers, Battery Manufacturers and Suppliers, and Real Estate Developers – to build a comprehensive ecosystem and create demand for EV manufacturing and sales.

2. Barriers and Models shaping E-mobility landscape

EVs are nearly twice as expensive as traditional vehicles, and incidents of battery thermal runaways have raised concerns about battery safety.

Manufacturer's concerns

a. **Charging infrastructure:** The scarcity of charging stations limits the range and convenience of EVs, potentially leaving drivers stranded in remote areas.
b. **Grid issues:** Problems with the grid and energy sources pose additional challenges.
c. **Cost:** EVs are nearly twice as expensive as traditional vehicles in India.
d. **Lithium-ion batteries:** Dependence on imported lithium-ion batteries and components increases costs and exposes the sector to global risks.
e. **Limited model availability:** There is a limited variety of EV models available in the market.
f. **Battery safety:** Incidents of battery thermal runaways have raised concerns about the safety of EV batteries.
g. **Environmental impact of battery production:** The production of batteries has significant environmental impacts.

Overcoming the challenges, several innovations have also evolved over time, building cases for encouraging wide adoption.

a. **Technological advancements**: Lithium-ion batteries are now more cost-effective and efficient, and fast-charging stations are increasingly widespread.
b. **Connected car technology**: Enhances the driving experience with features such as real-time traffic updates, over-the-air software updates, and advanced navigation systems.
c. **Flexible ownership options**: More consumers are choosing flexible ownership models, including leasing, subscriptions, and pay-per-use plans.

3. Policy Vision& Objectives

3.1. Vision

The vision of the policy is *"to establish Andhra Pradesh as a premier global hub for high-value EV manufacturing in India, through strategic demand and supply initiatives, to nudge towards e-mobility adoption and to promote sustainable end-of-life use practices, with the goal of achieving carbon neutrality (Scope 1 emission) from transport sector by 2047"*

3.2. Objectives

The state government is oriented towards building sustainable clean citiesand create healthy ecosystems to de-congest transport lifeline in the state. The broad objectives set through this policy towards achieving the stated vision include -

a. Nudge towards e-mobility adoption to citizensin the state.
b. Give boost to EV based public transport, shared mobility and aggregator models for demand creations and to improve vehicle utilization.
c. Create support Infrastructure for EVs and to promote private sector investment in EV infrastructure development
d. Develop & Enhance value added manufacturing and create integrated Value chain for EVs in the state
e. Build capabilities for next-gen technologies in automotive industry
f. Promote sustainable end-of-life use practices and e-waste recycling.

3.3. Targets

This Policy has the following targets by the end of policy period to measure the effectiveness of the measures introduced-

a. Register min. 2 lakh new e2-wheelersby 2029
b. Register min 10,000 new 3-wheelers by 2029
c. Register min. 20,000 new 4-wheelers BEVsby 2029
d. 100% electrification of APSRTC fleet
e. Density of 1 charging station per 30 kms along notified green channels
f. Density of 1 charging station per 3x3 km grids in e-mobility cities
g. Corpus fund utilization of INR 500 Cr towards building e-mobility cities.
h. 100 incubation centers established focused on e-mobility startups

4. Policy Validity

The Andhra Pradesh Sustainable Electric Mobility Policy 4.0 shall remain valid for a period of five years from the date of issue of this policy or till a new Policy is announced.

The policy may be amended and modified from time to time, during the implementation period, to keep the policy in-tune with evolving developments in the e-mobility sector.

However, all such amendments and modifications shall be applied prospectively and shall not curtail any benefit or concession already granted under the policy.

5. Scope of the Policy

The policy framework of AP SMEP 4.0 takes into consideration the needs of following stakeholder groups

a. Manufacturing units engaged in the manufacturing of Electric Vehicles, EV Components, Electric Vehicle Supply Equipment (EVSE)
b. Operators of Public or private Charging/swapping station Infrastructure
c. Customers purchasing or registering EVs in Andhra Pradesh.
d. Public Transport operators and Mobility service providers
e. Operators of Registered Vehicle scrap facilities (RVSF), E-waste recycling units and Automated Testing Centers (ATS)
f. Private Park developers
g. Innovators, R&D centers and testing agencies

The EVs incentivised in this policy will need to comply with corresponding guidelines issued by the Ministry of Heavy Industry, Government of India. Registered Vehicle scrap facilities (RVSF) and Automated Testing Centers (ATS) would need to comply with standards and guidelines issue by Ministry of Road Transport. Similarly, charging stations would need to comply with Guidelines and Standards issued by the Ministry of Power, Government of India.

The demand Incentives being offered under the policy would be in addition to the demand incentives for Electric vehicles available in Government of India schemes.

6. Implementing Agencies

Following entities will act as nodal agencies in the designated areas of policy for execution

Nodal Department	Responsibility
Industries Department.	EV Policy & Operational Guidelines, EV Policy Administration
Transport Dept.	Operationalization of vehicle classifications for retrofitting, scrapping
	Administration of demand incentives, regulations for vehicle movement, notifications for tax exemptions
APSRTC	Electrification of APSRTC Fleet, Setting up of Charging Infrastructure for APSRTC fleet.
NREDCAP	Setting up of Public Charging facilities in Government / private lands like airports, metro stations, parking lots, etc.,
	Monitoring and development of Charging Infrastructure and Coordinating with BEE/CAN
	Fixing of Ceiling Cost of Service for EV Charging, Guidelines for charging

	stations – Public & Private
	Provision of Renewable Energy for Charging Stations as per Grid related provisions with support of AP DISCOMS
	Conducting Go-Electric Campaigns periodically at mandal leveland alsobridge skill gap requirements for EV industries
	Development of Web Portal/ APP for creation of Electric Vehicle demand among Government Employees, SHGs and general public
APSSDC	Capacity Development and arranging workshops in collaboration with NREDCAP
AP DISCOM	Electricity Tariff Administration for Public & Private Charging as per APERC guidelines.
MA&UD Dept.	Implement norms for EV & Charging stations as prescribed by MoHUA
	Identification of sites for EV parking & Public Charging Stations
	Modification of rules/regulations in ULBs, municipalities to allow setting up of charging/battery swapping stations

7. Financial Incentives

7.1. Support for Manufacturers

7.1.1. The manufacturers of battery-operated electric vehicles of all registration types, EV components, charging station and related equipment, Batteries and related components used for the purpose of operating Electric Vehicles shall qualify as Manufacturers for the purpose of this policy.

7.1.2. New/expansion/diversification projects are eligible for incentives extended to manufacturers.

7.1.3. Following financial incentives are applicable for MSME manufacturers.

7.1.3.1. The MSME manufacturers are eligible to claim investment subsidy in the form of

a. 35% of eligible Fixed capital Investment upto maximum of INR 7 Crore (OR)
b. 5% of annual turnover for three years from the date of commencement of production, not exceeding claim amount of INR 10 Cr.

7.1.3.2. The incentive shall be disbursed in 3 annual installments from the date of approval of claim.

7.1.3.3. For enterprises run by BC/SC/ST/minority/physically abled/transgender investors having domicile in AP, the investment subsidy shall be

a. 45% of eligible Fixed capital Investment upto maximum of INR 7 Crore or
b. 15% of annual turnover for three years from the date of commencement of production (DCP), not exceeding claim amount of INR 10 Cr.

7.1.3.4. **Power Tariff -** Reimbursement of Power cost at Rs 1 per unit with annual cap of INR 15 lakh per enterprise for 6 years.

7.1.3.5. **Net SGST -** Reimbursement of 100% of Net SGST paid to the state, subject to the condition that incentive amount does not exceed 100% of eFCI.

7.1.3.6. **Electricity Duty -** Reimbursement of 50% of Electricity duty cost for 6 years. This incentive is applicable only for battery manufacturers with end-use in Electric Vehicles.

7.1.3.7. **Quality certification subsidy -** Reimbursement of 50% of cost incurred for testing or certification required to meet quality standards set by regulatory authorities, upto maximum of INR 2 Lakh.

7.1.3.8. **Patent Cost subsidy -** Reimbursement of cost incurred for filing of patents or protection of intellectual property rights, upto a maximum of INR 2 lakh.

7.1.3.9. **Stamp Duty -** Reimbursement of 100% Stamp Duty and registration charges on purchase of land meant for industrial use. Stamp duty will be reimbursed only one time on the land. Stamp duty will not be reimbursed on subsequent transactions on the same land.

7.1.3.10. **Land conversion Fee -** Reimbursement of 100% fee paid for land conversion.

7.1.3.11. **Training Subsidy -** Reimburse 100% of employer contribution to EPF with an annual cap of INR 1 Lakh per enterprise, for a period of 3 years from the DCP.

7.1.3.12. The overall incentive claim, excluding net SGST reimbursement, for MSME's shall not exceed 75% of Fixed Capital Investment.

7.1.4. Following financial incentives are applicable for manufacturers in Sub large and above investment categories

1. **Investment Subsidy -** The manufacturers are eligible to claim investment subsidy based on annual turnover for the domestic value addition as indicated in table below

Investment Band	Investment (in INR Cr)	Turnover linked
Sub Large	Above INR 50 crore and upto INR 250 Crore	1. DVA* (<15%) –12% eFCI 2. DVA* (15%-30%) - 5% annual turnover for 3 yrs from DCP(upto20% eFCI) 3. DVA* (>30%) -5% annual turnover for 3 yrsfrom DCP (upto 25% eFCI)
Large	Above INR 250 crore and upto INR 500 Crore	
Mega	Above INR 500 crore	

- For BC/SC/ST/minority/specially abled/transgender enterprises, investment subsidy shall be 10% of annual turnover for 3 years from DCP (upto 25% of eFCI)

**Domestic Value Addition*

- *Similar procedure has been prescribed by the Central Government in the Notification No. 01/2010 – Central Excise, dated 06 February 2010 and amended from time to time.*
- *In respect of the goods, DVA is denominated as the ratio of "actual value added" to the sale value (net of returns, price adjustments, discounts, etc.) of the said goods, excluding indirect taxes, if any paid on the goods.*
- *It may be expressed as the percentage of manufacturing activity being undertaken in state of Andhra Pradesh, either on its own or ancillary units or through domestic manufacturers.*

2. **Early Bird incentive -** The Manufacturers are eligible to avail incentive under early Brid scheme of AP Industrial Development Policy 4.0, provided all conditions to qualify as an early bird applicant under AP IDP 4.0 are met.
    a. Under the scheme eligible units will be able to claim investment subsidy of 30% of eFCI or upto 40% eFCI for investment in specific value-added manufacturing activities as stated in operating guidelines of IDP 4.0.
    b. The units availing early bird offer shall not be eligible to claim investment subsidy under AP SMEP 4.0
3. **Employment subsidy -** Projects showing higher employment to investment ratio will be incentivized with the employment creation subsidy. (Employment in number and Investment in INR Cr)
        a. Quantum of incentive is as indicated in the table below for the respective E/I ratio bands

Employment to Investment (E/I) ratio	Eligible incentive (% of eFCI)
5 and above	10% of FCI
3-5	9% of FCI
1-3	8% of FCI
Less than 1	NIL

        b. Direct employment includes both Full time and contract employees in company's payroll.
        c. The eligible incentive will be disbursed in equal annual installments of 5 years from DCP, subject to cumulative employment on-payrolls (in the form of new EPF accounts created by the employer).

4. **Top-up PLI or GoI scheme -**This incentive is in addition to the investment subsidy, applicable only for those projects that received GoI approval under PLI scheme or any other GoI scheme notified by the state from time to time.
    a. State government will give 10% of the total incentive amount sanctioned for the project under the GoI Scheme, capped at a maximum of 5% of FCI made in the state.
    b. The incentive is eligible only to the extent of investment committed to GoI and proportionate FCI made in AP.
    c. Incentive shall be disbursed in 5 equal annual installments from the DCP.
5. **De-carbonization Subsidy –**
    a. To encourage circular economy, clean production, waste reduction, resource efficiency, green energy and safety measures government has extended De-carbonizationsubsidy for investments in specific clean measures under IDP 4.0.
    b. Investments made towards electronic waste recycling unit, Vehicle scrapping Facilities, Automated Testing Stations are eligible projects that qualify to claim De-carbonization subsidy.
    c. Investment incurred towards plant and machinery will receive capital subsidy as a percentage of eligible “project cost”.

#	Category	Non-Red category (Incentive as % of eligible project cost)	Red category (Incentive as % of eligible project cost)	Maximum incentive (% of FCI)
1	Sub-large	10%	15%	6%
2	Large	20%	25%	
3	Mega	20%	25%	

    d. The total incentive under this category will be limited to a maximum of 6% of FCI.
    e. The incentive is applicable for projects that are built for captive use.
    f. Incentive will be disbursed in 5 equal annual installments from the date of commercial production.
6. **Net SGST -** Reimbursement of 100% of Net SGST paid to the state, subject to the condition that incentive amount does not exceed 100% of eFCI.
7. **Power Tariff -** Reimbursement of Power cost at Rs 1 per unit with annual cap of 10% of power bill for 2 years.

8. **Electricity Duty -** Reimbursement of 50% of electricity duty cost for 2 years. This incentive shall be applicable to only battery manufacturers with end use in Electric Vehicles.
9. **Stamp Duty -** Reimbursement of 100% Stamp Duty and registration charges on purchase of land meant for industrial use. Stamp duty will be reimbursed only one time on the land. Stamp duty will not be reimbursed on subsequent transactions on the same land.
10. **Land Conversion Fee -** Reimbursement of 100% fee paid for land conversion.
11. The overall incentive claim, excluding net SGST reimbursement, for sub large and above enterprises shall not exceed 100% of Fixed Capital Investment.

7.2. Support for Charging/swapping Station operators

- As the aspect of charging and swapping stations for electric vehicles is closely tied to electricity sector, Energy Department, GoAP has provided certain incentives to Electric Vehicle Charging Infrastructure (EVCI) operators as part of the Integrated Clean Energy policy 4.0 published vide GO Ms No 37 dated 30th Oct 2024.
- New & Renewable Energy Development Corporation of Andhra Pradesh Ltd (NREDCAP) has been designated as State Nodal Agency (SNA) for ICE policy in general and public and private charging stations in specific.
- Following incentives have been extended to Electric Vehicle Charging Infrastructure (EVCI) operators under ICE 4.0 policy in section 14.

7.2.1. Land

a. NREDCAP shall invite tenders through competitive bidding for identification of Charge Point Operators (CPO) who shall install and operate EV charging stations at the sites notified.
b. Government/Public entity sites shall be offered at floor price of Rs. 1 per unit (unit means sq.ft in case of buildings and sq.yard in case of land) to private CPOs as per MOP guidelines 2024.
c. SNA shall charge PMA charges for the same.

7.2.2. Investment Subsidy: Capital Subsidy of 25% on cost of public charging station (excluding land, cost of electricity connection, DTR, any civil costs) subject to a maximum of INR 3 Lakhs/ Public Charging Station (PCS) for the first 5,000 EV PCS over a period of 5 years.

7.2.3. Power Tariff

a. A separate EV tariff category with ToD tariff and Dynamic tariff mechanisms to Charging Point Operators (including swapping station operators).
b. The maximum ceiling tariff (MCT) of INR 15 per unit for EV end-consumers or as determined by APERC in line with guidelines issued by MoP.

c. DER Aggregators shall be empowered to operate Smart EV charging stations for Demand Response management.

d. EV charging stations (including swapping stations) can avail input power from any Open Access/Green OA generator. Green OA shall be governed as per APERC Green Energy Open Access, Charges, and Banking Regulation 2024.

7.2.4. Mandates for line departments

a. All new permits for commercial complexes, housing societies and residential townships with a built-up area 5,000 sq.mt and above shall be mandated to have charging stations.

b. Public parking spaces will be mandated to have charging stations. Municipalities shall issue provisional permissions online immediately to setup charging/battery swapping stations. Any verification shall only be post sanction of provisional permission.

c. City codes will be modified for both public places and private buildings in order to make the infrastructural changes needed for charging infrastructure. Urban local bodies, Municipality rules/regulations will be modified to allow charging and stations to be setup within its limits as and when required.

d. Under the Present Policy, it is proposed to extend the support for charging and swapping stations, beyond 5,000 Stations (as per the ICE Policy) till the objectives of density of 1 charging station per 30 kms along notified green channelsand density of 1 charging station per 3x3 km grids in e-mobility cities, are achieved.

7.3. Support to Park Developers

7.3.1. Given the increasing number of proposals for development of industries, the GoAP to support and encourage the development of private Industrial Parks in the state, by enabling the creation of a framework to increase participation of potential developers, has notified "**AP Policy for establishment of Private Industrial Parks with 'Plug and Play' Industrial Infrastructure (4.0) 2024-29"**vide G.O.Ms.No.67, dt.26.10.2024.

7.3.2. The Department of Industries & Commerce, Government of Andhra Pradesh or any other agency authorized by it,is the executing agency for the policy.

7.3.3. Incentives for park developers under the state policy is as under

Nano and MSME park developers	Large & Mega Industrial Park developers
Capital Subsidy of upto Rs. 5 lakhs per acre	Capital Subsidy of upto Rs. 3 lakhs per acre
100% exemption of a. Conversion Charges applicable in case of conversion of Agricultural	

land to Non-Agricultural land

b. charges for Change of Land Use in the Master Plan notified

c. Layout Approval cost

d. Stamp Duty and Registration Charges for pooling the lands for the Industrial Parks

7.4. Support to Recyclers, scrapping facilities & ATS operators

7.4.1. The Ministry of Road Transport and Highways has formulated the Vehicle Scrapping Policy that includes a system of incentives/disincentives for creation of an ecosystem to phase out older, unfit polluting vehicles.

7.4.2. In order to support GoI initiative and encourage participation of Registered Vehicle Scrap Facility (RVSF) and Automated Testing Station(ATS) operators, Government of Andhra Pradesh through SEMP 4.0 is offering following incentives–

7.4.3. Investment subsidyof 45% of eligible Fixed Capital Investment with a maximum cap of INR 7 Cr for ATS operators and INR 10 Cr for RVSF operators

7.4.4. Rebate on land of 50% of land cost with a cap of INR 20 Lakh

7.4.5. Power Tariff – reimbursement of power cost at INR 2 per unit for 6 years with an annual cap of INR 15 Lakh

7.4.6. Quality Certification cost – reimbursement of 75% cost of quality certification including consulting fee with a cap of INR 3 Lakh.

7.4.7. Net SGST reimbursement -Reimbursement of 100% of Net SGST paid to the state, subject to the condition that incentive amount does not exceed 100% of eFCI.

7.4.8. Stamp Duty - Reimbursement of 100% Stamp Duty and registration charges on purchase of land meant for industrial use. Stamp duty will be reimbursed only one time on the land. Stamp duty will not be reimbursed on subsequent transactions on the same land.

7.4.9. Land Conversion Fee - Reimbursement of 100% fee paid for land conversion.

7.5. Support to EV end users

7.5.1. To enable wide adoption of electric vehicles and there by create demand for EV manufacturers, government of Andhra Pradesh is extending purchase incentive to EV buyers, making purchase in the state or registering EVs in the state.

7.5.2. The purchase incentive shall be applicable for purchase of e-2W, e-3W, e-Bus, e-Goods carrier and e-tractors. The vehicles purchase can be for both personal or commercial use.

7.5.3. Purchase incentive of 5% of ex-showroom price of Electric vehicle, ***to be availed by the purchasers of the vehicle***, upon passing the equivalent value to EV buyer in the form of discounted price, at the time of sale.

a. The purchase incentive shall be 10% of ex-showroom price of Electric Vehicle, if equivalent benefit is passed on to the EV buyer who produces Certificate of Deposit (CoD), received from recognized RVSF operator.
b. The CoD shall be in exchange for same category of vehicle type i.e., 2 wheeler for 2 wheeler, 3 wheeler for 3 wheeler etc.
c. The purchase incentive shall be made available for claim only till March 2027.
d. The purchase incentive shall be applicable for sale of vehicle till March 2027, with ex-showroom price not exceeding the cost indicated in the table below –

E-2W	E-3W	E-Bus	E-Goods Carrier	E-Tractor
1 Lakh	2 Lakh	2 Cr	5 Lakh	8 Lakh

e. Purchase incentive to be directly paid to individual buyers/ consumers, Department will work out modalities accordingly.
f. No incentives for hybrid – EV vehicles.

7.5.4. Road Tax Exemption

All EVs registered in the state shall be given 100% exemptionroadtaxfor5 years.

a. No exemption of road-tax for the Hybrid e-4 wheelers
b. Any ICE vehicle registered in the state,upon submission of CoD will get 50% exemption on road tax.
c. All electric vehicles as defined in Rule 2(u) of Central Motor Vehicles Act, 1989 will be exempted from payment of fees for the purpose of issue or renewal of registration certificate and assignment of new registration mark.

8. Non-Financial Incentives

8.1. Creation of E-Mobility Cities and green corridors

8.1.1. One city in each of the five Zones - North Andhra/Godavari Districts/Central Andhra/South Andhra/Rayalaseema - will be identified and promoted as model Electric Mobility (EM) cities.

8.1.2. “Green routes” shall be identified in each of EM cities and also roads connecting EM cities and ensure creation of charging facilities along the green routes, with private participation.

8.1.3. Feasibility of adopting following interventions in the EM cities will be expedited

a. All new permits for commercial complexes, housing societies and residential townships with a built-up area 5,000 sq.mt and above will mandated to setup charging stations.
b. Existing private buildings such as malls and other commercial buildings will be incentivized to setup charging/battery swapping stations.

c. “Green zones” in select places like Airports, Tourism circuits, Universities where barriers for EV operations will be cost minimal compared to ICE vehicle operation
d. Relaxation in times of business operation, provided vehicle fleet used for operations is only EV.
e. Reserve certain areas for Charging/swapping stations within city premises to facilitate charging services for fleet aggregators.
f. No need to reserve fancy number plates to EV vehicles.

8.1.4. A dedicated corpus of INR 50 Cr per model city shall be allocated for creation of EM cities.

8.2. Electrification of vehicles and public transport

a. The State Government shall promote retro fitted EVs in the State with certified technology (ARAI/ ICAI or any other). Towards this, separate guidelines and its implementation shall be issued and managed by AP State Transport Department.
b. State Departments and their agencies shall be encouraged to procure EV on nomination basis, without the need for tender, from Govt Entities like Energy of Efficiency Services Ltd (EESL).

8.3. Support towards Research & Development and Innovation

- AP aspires to be the hub not only for manufacturing but also for R&D focusing on next generation of battery management systems, drivetrain components, battery chemistries, fuel cell systems and intelligent transportation systems. Towards achieving this goal, government will take up following initiatives

8.3.1. <u>Research and Development (R&D) Grant</u>

a. A research grant of INR 250 Cr will fund the most innovative solutions in the mobility space.
b. In coordination with National automotive testing and R&D Infrastructure (NATRiP), GoAP shall strive to set-up quality testing center for EVs.
c. These facilities would be accessible to all startups and manufacturers in the sector.

8.3.2. <u>Testing and Quality control labs</u>

a. In coordination with National automotive testing and R&D Infrastructure (NATRiP), GoAP shall create a registry of agencies to test and certify quality of manufactured EV products.
b. These facilities would be a common use facility for benefit of startups and MSMEs.

9. Constitution of steering committee

A Steering Committee comprising of senior officials from relevant departments will be constituted to work towards time - bound EV demand creation, charging network development in the State and for periodic review of E-mobility policy.

S. No	Department	Responsibility
1.	Spl. CS/Principal Secretary/Secretary, Industries Dept., Govt. of AP	Chairman
2.	Transport Commissioner, Govt. of AP	Member
3.	Managing Director, APSRTC	Member
4.	Chairman and Managing Director – AP DISCOMS	Member
5.	Director – Town & Country Planning	Member
6.	Commissioner, Municipal Administration	Member
7.	Member Secretary, APPCB	Member
8.	Senior Police Officer -Police Department (not less than DIG Rank)	Member
9.	Managing Director, NREDCAP	Member Convener

10. Operational Guidelines

- To the extent of administering incentives for manufacturers, Department of Industries & Commerce shall release operating guidelines for applying and claiming incentives.
- To the extent of interventions proposed pertaining to demand creation for EV adoption, the Department of Transport, Roads & Buildings shall issue operating guidelines.
- To the extent of regulations related to utilization of power for charging stations/swapping stations or residential charging of EV, department of Energy shall issue operating guidelines under ICE 4.0 policy 2024-29.

11. Annexures - Definitions

Term	Description
Electric Vehicles (EV)	EVs comprise battery electric vehicles (BEV), plug-in electric vehicles (PEV), plug-in hybrid electric vehicles (PHEV) and strong hybrid electric vehicles (SHEV).
EV Components	means components of • EV including Motor Controller, Electric Engine (motor) for EV, • Regenerative Braking System, Drive System for EV/FCEV/SHEV, • Batteries and Cells (Li-ion, hydrogen or other hi-tech cells) that can be used in EV/FCEV, Battery Management System (BMS), • Electric Power Control Unit (EPCU), Battery Heating System, On-board Charger (OBC), • Electric Traction Motors and controllers, EV Power Train Components, Components related to transmission mechanism, • Traction battery pack, Low Voltage DC-DC Converter (LDC), Power inverter, • Vehicle control unit (VCU), EV Charge Port, • Fuel Cell Control Unit, Anode Recirculation Blower for FCEV, • Hydrogen gas injector for Hydrogen Fuel cells, Humidifier/stack Bypass Valve, Stack-isolation and Control Valve for Hydrogen fuel cells.
Battery	means all energy storage systems (including cells, modules, packs) used for operating the defined EVs above.
Charging Equipment	means any equipment that is exclusively used to charge the batteries of BEV. This equipment can be installed at existing fuel stations or separate charging or battery swapping stations.
EV Buyers	mean buyers of Electric Vehicles (EVs) purchasing and registering any segment of Electric Vehicle meeting the same specifications of performance and efficiency as per PM e drive scheme of GoI. Buyers will also include individual vehicle purchasers or aggregators (e.g., food delivery, e-commerce logistics providers, couriers) or fleet operators (including Leasing Companies, at Corporates/ Hotels/ other operators)
EV Dealers	mean vendors of Electric Vehicles (EVs) registered in the State selling EVs meeting the same specifications of performance and efficiency as per as per Annexure-II of FAME-II scheme notification dated 28th March 2019 issued for FAMEII Scheme order dated 8th March 2019, F. No 1(1)/2019 AEI and any amendments thereafter in the State.
Charging station	Means any Privately-owned, DISCOM-owned or Investor-owned dedicated charging station (including fast/ slow) that is used for charging any public/ private use EV or EV fleet and can be installed at independent homes, group residential buildings, offices, public places or dedicated parking land which can be self-operated or CPO-managed (Charged Point Operator Managed) The charging stations shall adhere to the norms laid by Ministry of Power (MoP), Ministry of Housing & Urban Affairs (MoHUA) and Department of Heavy Industry (DHI) and Government of AP as amended from time to time.
Domestic Value Addition	Similar procedure has been prescribed by the Central Government in the Notification No. 01/2010 – Central Excise, dated 06 February 2010 in respect of the goods, DVA is denominated as the ratio of “actual

	value added" to the sale value (net of returns, price adjustments, discounts, etc.) of the said goods, excluding indirect taxes, if any paid on the goods. It may be expressed as the percentage of manufacturing activity being undertaken in state of Andhra Pradesh, either on its own or ancillary units or through domestic manufacturers.
Swapping station	shall mean a station where any EV privately or commercially owned, can get its discharged/partially discharged electric battery replaced by a charged battery and the discharged/partially discharged electric battery is recharged. The Swapping stations shall adhere to the guidelines and norms laid by Union Government from time to time.
Eligible Manufacturing firms	include any Electric Vehicle (2 wheelers, 3 wheelers, 4 wheelers, buses) manufacturing units, EV component manufacturing units, Charging/ Battery equipment manufacturing units, hydrogen storage &fueling equipment manufacturing units and Battery manufacturing units. The definition also includes assembling units in the mentioned categories.
Eligible Fixed Capital Investment (EFCI)	means the Capital Investment made in plant and machinery, utilities, tools and equipment and other such assets as are required to manufacture the end product**,** as has been made by any project after the Effective Date of the policy. In addition to the above components, investment in land also shall be considered for eligible fixed capital investment for MSME units. In case, the Capital Investment by any project has started prior to the Effective Date, at least 80% of such Capital Investment should be made after the Effective Date of the Policy and the same Capital Investment will be considered as the Eligible Capital Investment for determining admissible incentives.
MSME Projects	GoAP will follow the MSME definition laid out by GoI for MSME as per MSME Act 2006 (as amended from time to time). This policy specifies incentives for MSME firms manufacturing components and end products that are part of the electric mobility ecosystem.
Sub Large Projects	Means projects of eligible manufacturing firms with EFCI over the threshold of a medium enterprise and up to a maximum of INR 250 crore
Large Projects	Means projects of eligible manufacturing firms with EFCI over INR 250 crore and up to a maximum of INR 500 crore
Mega Projects	Means projects of eligible manufacturing firms with capital investment of over INR 500 crore
Recycling firms	Refer to firms engaged in recycling or reprocessing of vehicles, waste batteries or their components and having facilities (as per Draft Battery Waste management Rules 2020 issued by the Ministry of Environment, Forest and Climate Change).

The Government of Andhra Pradesh may amend/clarify these definitions, if required, from time to time.

N YUVARAJ
SECRETARY TO GOVERNMENT & CIP